



U S Department
of Transportation

**Pipeline and
Hazardous Materials Safety
Administration**

233 Peachtree Street Ste 600
Atlanta, GA 30303

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

April 9, 2007

Mr Dudley Tarlton
Vice President
Transmontaigne Products Service, Inc
1670 Broadway, Suite 3100
Denver, CO 80202

CPF 2-2007-6005M

Dear Mr Tarlton

On December 5-6, 2006, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected the Transmontaigne Integrity Management Plan in Roswell, Georgia

On the basis of the inspection, PHMSA has identified apparent inadequacies found within the Transmontaigne Integrity Management Plan (IMP), as described below

1. **195.452(c)(2) An operator must document, prior to implementing any changes to the plan, any modification to the plan, and reasons for the modification**
 - a Transmontaigne must amend its procedure to ensure a formalized and documented process for revisions that affect the integrity management plan (IMP)
2. **195.452(h)(2) Discovery of a condition. Discovery of a condition occurs when an operator has adequate information about the condition to determine that the condition presents a potential threat to the integrity of the pipeline**
 - a Transmontaigne must amend its procedure to define and document when discovery occurs
3. **195.452(f) What are the elements of an integrity management program? (3) An analysis that integrates all available information about the integrity of the entire pipeline and the consequences of a failure.**

- a Transmontaigne must amend its procedure to document the process of integrating risk analysis information and other information utilized to characterize the risk of pipeline segments
- 4. 195.452(i)(1) An operator must take measures to prevent and mitigate the consequences of a pipeline failure that could affect a high consequence area.**
- a The Transmontaigne integrity management plan states that the Transmontaigne Risk Management Team will provide a proposed candidate list of actions for risk reduction within one year following completion of an assessment, or whenever enough new information is available that would necessitate implementing preventive and mitigative measures Transmontaigne must amend its procedures for documenting the actions that are considered or taken
- 5. 195.452(f) What are the element of an integrity management program? (7) Methods to measure the program's effectiveness.**
- a The Transmontaigne integrity management plan states that an annual evaluation will be done to review the effectiveness of the integrity management program The annual program evaluation is scheduled to be completed by February 15th of the following year The IMP must include adequate documentation of the program evaluation when completed

Response to this Notice

This Notice is provided pursuant to 49 U S C § 60108(a) and 49 C F R § 190 237 Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Compliance Proceedings* Please refer to this document and note the response options Be advised that all material you submit in response to this enforcement action is subject to being made publicly available If you believe that any portion of your responsive material qualifies for confidential treatment under 5 U S C 552(b), along with the complete original document you must provide a second copy of the document with the portions you believe qualify for confidential treatment redacted and an explanation of why you believe the redacted information qualifies for confidential treatment under 5 U S C 552(b) If you do not respond within 30 days of receipt of this Notice, this constitutes a waiver of your right to contest the allegations in this Notice and authorizes the Associate Administrator for Pipeline Safety to find facts as alleged in this Notice without further notice to you and to issue a Final Order

If, after opportunity for a hearing, your plans or procedures are found inadequate as alleged in this Notice, you may be ordered to amend your plans or procedures to correct the inadequacies (49 C F R § 190 237) If you are not contesting this Notice, we propose that you submit your amended procedures to my office within 45 days of receipt of this Notice This period may be extended by written request for good cause Once the inadequacies identified herein have been addressed in your amended procedures, this enforcement action will be closed

In your correspondence on this matter, please refer to **CPF 2-2007-6005M** and for each document you submit, please provide a copy in electronic format whenever possible

Sincerely,

A handwritten signature in black ink that reads "Linda Daugherty". The signature is written in a cursive style with a small "2017" written above the "L".

Linda Daugherty
Director, Southern
Pipeline and Hazardous Materials Safety Administration

Enclosure *Response Options for Pipeline Operators in Compliance Proceedings*